

COMPARISON OF GENERAL EDUCATION AND SPECIAL EDUCATION COSTS FOR THE 2006-07 SCHOOL YEAR

Background

Consumers and providers of special education are often interested in comparing the cost of special education against that for educating general education pupils. The comparison of costs is a good method of making judgments of the value when the items being considered are similar. Cost comparisons lose their meaning as the items being compared become more diverse. For example, comparing K-6 grade costs of a school district against the statewide average costs will provide a fairly good comparison, since the factors that go into elementary education tend to be similar around the state. However, a comparison of a high school program against the state wide average costs for secondary education is not as useful. Some districts have extensive athletics, vocational education, and advanced placement courses. Other districts have few or none of these elements. Therefore, the cost comparison becomes less valuable.

Similarly, the cost for each special education pupil varies depending on the pupil's age, the severity of the disability, and the types of classroom program and support services. The age range in Michigan is the broadest in the United States, going from birth to either graduation or age 25. There are twelve categories (autism, hearing impairment, visual impairment, etc.) under which a pupil may be determined eligible for special education with thirteen special education classroom options (classrooms for pupils with learning disabilities, emotional impairments, hearing impairments, etc.). Added to this, a pupil may have one or more of the nineteen support or ancillary services that are commonly available (audiology, teacher consultant, psychology, speech, etc.).

This report is based on pupil and cost data reported by Michigan public school districts for the 2006-07 school year. This is the last year for which complete data was available when the report was written. During the 2006-07 school year, Michigan had 57 intermediate school districts, 552 public schools and 229 public school academies. The cost and enrollment data for the K-12 pupils is taken from the Department of Education's Bulletin 1014 entitled *Michigan Public School Districts Ranked by Selected Financial Data*. (Bulletin 1014 defines costs as current operating expenditures or the total of instructional and support services expenditures. These expenditures are the total of all general fund charges incurred for the benefit of the given fiscal year. These expenditures include those for instructional programs, plus supporting services costs less capital outlay, debt service, community services and outgoing transfer costs.)

Special education costs and personnel data are taken from the Special Education Actual Cost Report, form SE-4096. These data are submitted by all school districts operating special education programs and/or providing services. The data is submitted after the school districts have closed their fiscal year and are from actual audited school year expenditures. Special education enrollment data are taken from the September 2006 Pupil Membership Report and the December 1, 2006 Federal Special Education Head Count Report by each public school district available at the time the report was written. Federal

cost data is taken from the Interim Federal Expenditure Report (IFER) for the Individuals with Disabilities Education Act (IDEA) grant funds reported in the Michigan Electronic Grants System (MEGS).

School districts reported a total K-12 enrollment of 1,693,436 full time equivalent pupils for the 2006-07 school year in Bulletin 1014. (Bulletin 1014 pupil counts include the number of pupils legally enrolled and reported to the Center for Educational Performance and Information on the fall submission of the Single Record Student Database file. The count includes the four adult education participant counts for the 2006-07 fiscal year and does not include the count of pupils educated by intermediate school districts. Intermediate school districts in Michigan are not authorized to educate general education pupils.) The full time equivalency of pupils in special education classrooms was 86,421. (This count is taken from the fall submission of the Single Student Record Database file and includes all special education pupils educated by local districts, intermediate districts and public school academies.) The total number (headcount) of special education pupils served on December 1, 2006 was 249,006. The discrepancy between the headcount and the full time equivalency of special education classrooms reflects the fact that most special education pupils are integrated into general education classrooms for all or part of the day. Since full time equivalency only measures the time in a general or special education classroom, it is important to have an understanding of the various types of placements that are provided for pupils with disabilities when discussing the costs of special education programs and services. The following chart outlines the various types of general and special education placement options.

Special Education Pupils by Type of Placement

	Number	Percent
Prekindergarten Setting	28,476	11.44
General Education K-12 Buildings		
100% in General Education (service only)	61,208	24.58
In Special Education less than 21%	49,153	19.74
In Special Education 21-60%	56,759	22.79
In Special Education more than 60%	40,354	16.21
Special Facilities		
Public School Special Education Buildings	11,526	4.63
Others (institutions, homebound, etc.)	1,530	.61
Total (December 1 Headcount)	249,006	100.00

The cost of special education varies depending on the amount of time each pupil spends in a special education classroom, if any, and the pupil's need for support or ancillary services. The decision about the type and duration of service is made on a pupil-by-pupil basis by an individualized educational planning team (IEPT). Each pupil's placement is reviewed at least yearly.

The remainder of this report will look at aggregate statewide cost data and provide information on average student costs. While this information is helpful in understanding statewide costs, it is not a good yardstick to compare with individual pupils, classrooms,

buildings or even against individual school district costs. The wide variety of programs and services, possible age discrepancies and the practice of contracting services from other local and intermediate school districts to meet the unique needs of individual pupils skew these types of cost comparisons.

Procedure

Michigan public school districts serving special education pupils submit an actual cost report at the end of the year (form SE-4096) to report costs directly associated with special education programs and services. Eligible costs include salaries of special education staff, purchased services, supplies and other related instructional expenses. These costs do not reflect the total cost of educating pupils with disabilities. Excluded are "capital expenditures" for the purchasing, remodeling or repairing of buildings, as well as supplies and equipment of a noninstructional nature.

The Michigan Department of Education calculates a special education indirect rate for operation and maintenance. The indirect rate is a ratio of the district's operation and maintenance expenses over the total K-12 operating expenses. Operation and maintenance expenditures include such items as heat, lights, water, insurance, building maintenance, etc. This indirect rate is applied to the total special education operational expenditures as a means of estimating the proportion of the district's operation and maintenance expenses associated with providing special education programs and services.

The cost of transporting special education pupils is derived from the Transportation Expenditure Report, form SE-4094. The Transportation Expenditure Report segregates transportation expenditures for pupils who are wards of the court or wards of the state who have their educational costs funded under Section 53a of the State School Aid Act and the remaining special education pupils. The amount of special education transportation reported in Table 1 is the cost of transporting about 1 percent of the special education pupils identified as Section 53a eligible. The remaining cost of special education transportation for 2006-07 (\$247,183,573) will be added to Line 43 – Pupil Transportation in Table 2.

The cost information reported in *Table 1. Michigan Special Education Expenditures from the 2006-07 SE-4096 Special Education Actual Cost Report* does not include expenses related to state operated special education programs in correctional facilities, mental health institutions or educational programs operated by the Michigan Department of Human Services. These agencies reported a total of 604 pupils during the 2006-07 school year. The educational costs for these pupils are born directly by the state agencies rather than by the public school districts.

The educational costs for the Michigan Schools for the Blind and Deaf (MSDB), operated by the Michigan Department of Education, are included in Table 1. The expenses for the residential portion of the state operated schools are reimbursed directly by the Department of Education and are not included in this report.

On the next page, *Table 1. Michigan Special Education Expenditures from the 2006-07 SE-4096 Special Education Actual Cost Report*, contains information on public school special education personnel and expenditures. The following is an explanation of the various categories listed in Table 1. To aid the reader, references to various headings from the tables in this report have been italicized. Headings that are abbreviated in the tables are given the full name in italics in the following narrative.

**TABLE 1. MICHIGAN SPECIAL EDUCATION EXPENDITURES FROM THE 2006-07 SE-4096
SPECIAL EDUCATION ACTUAL COST REPORT²**

Category	Profess FTE	Aides FTE	Salaries	Benefits	Purchased Services	Supplies Materials	Other Expenses	Total
1. LRE Classroom Aides		2,907.7	45,398,685	24,130,285	2,013,944		6,263	71,549,177
2. Mild Cognitive Imp	1,100.8	920.2	76,796,181	37,577,945	682,275	1,077,278	6,685	116,140,364
3. Moderate Cog Imp	689.7	1,207.8	69,805,622	36,763,543	1,686,356	1,312,212	17,320	109,585,053
4. Severe Cognitive Imp	214.1	454.8	25,648,699	13,318,348	330,755	450,601	2,790	39,751,193
5. Emotional Impairment	1,033.9	914.1	75,009,388	37,869,890	1,974,724	1,237,343	8,140	116,099,485
6. Learning Disability	1,049.6	256.0	56,865,595	26,056,514	1,126,189	851,713	2,397	84,902,408
7. Hearing Impairment	210.7	125.1	16,823,824	8,319,291	1,068,974	567,257	1,523	26,780,869
8. Visual Impairment	39.7	27.8	2,866,744	1,437,819	23,958	127,258	207	4,455,986
9. Physical Impairment	164.4	244.4	15,298,300	7,880,345	345,979	265,312	5,341	23,795,277
10. Severe Multiple Imp	299.0	561.9	35,123,173	17,994,291	460,201	509,503	3,858	54,091,026
11. Early Child Program	524.6	482.6	39,922,584	19,575,198	504,325	642,477	5,461	60,650,045
12. Severe Language Imp	26.1	18.7	2,037,137	924,013	2,864	14,220		2,978,234
13. Autistic Impairment	583.9	975.0	55,639,634	29,418,797	792,421	884,823	2,020	86,737,695
14. Resource Room	5,812.5	1,501.2	356,647,873	170,294,863	13,764,754	3,543,554	48,899	544,299,943
15. Section 24	134.8	49.9	10,788,938	5,372,346	501,669	233,087	7,527	16,903,567
16. Subtotal	11,883.8	10,647.2	884,672,377	436,933,488	25,279,388	11,716,638	118,431	1,358,720,322
17. Health Services	953.7	110.9	61,495,563	28,909,175	10,782,127	879,604	5,820	102,072,289
18. Psychological	918.3	0.6	60,697,044	26,734,616	4,765,071	1,021,626	11,031	93,229,388
19. Speech & Audiology	1,965.1	3.0	123,549,305	55,793,470	10,718,068	1,210,819	25,191	191,296,853
20. Social Work	1,344.3	0.3	87,541,245	38,931,848	4,807,065	461,214	12,116	131,753,488
21. Visual Aid	24.8	6.0	1,594,801	745,232	274,096	66,936	370	2,681,435
22. TC Cognitive Imp	166.0	1.3	11,151,461	4,911,942	397,346	52,861	954	16,514,564
23. TC Emotionally Imp	211.8	1.0	14,846,026	6,366,592	376,654	67,262	911	21,657,445
24. TC Learning Disabled	415.7	1.0	28,454,164	12,275,094	436,499	114,773	907	41,281,437
25. TC Hearing Imp	106.9		7,231,896	3,119,664	318,628	77,635	968	10,748,791
26. TC Visually Imp	146.2		5,808,818	2,636,833	232,151	195,331	2,425	8,875,558
27. TC POHI	44.4		3,159,407	1,367,023	136,506	47,665	599	4,711,200
28. TC Autistic Imp	69.3		4,621,120	2,028,407	155,323	45,298	1,915	6,852,063
29. Early Child Home Prg	176.2	21.7	11,409,683	5,299,356	387,875	214,658	1,233	17,312,805
30. Physical Education	41.1	14.2	3,060,238	1,481,345	45,197	20,927	221	4,607,928
31. Other Pupil Support	122.2	11.3	8,136,488	3,672,980	1,239,160	160,807	556	13,209,991
32. Improve of Instruct	17.0	1.0	1,889,488	760,631	2,422,599	174,625	9,972	5,257,315
33. Supervision/Direction	697.0		69,052,127	31,376,160	4,316,892		85,747	104,830,926
34. School Principal	138.9		11,193,452	5,556,766	608,287		6,860	17,365,365
35. Support Serv Central	19.5	2.0	1,170,735	559,835	445,039	27,287	2,666	2,205,562
36. Support Serv Other	1.0		55,950	24,605	37,630	510	719	119,414
37. Subtotal	7,579.4	174.3	516,119,011	232,551,574	42,902,213	4,839,838	171,181	796,583,817
38. Subtotal	19,463.2	10,821.5	1,400,791,388	669,485,062	68,181,601	16,556,476	289,612	2,155,304,139
39. Indirect Costs							260,808,955	260,808,955
40. Bd. of Education Adj				6,463	658,654	269,140	-4,448,249	-3,513,992
41. Capital Outlay							1,326,340	1,326,340
42. Direct O & M			339,906	237,330	87,393	91,945		756,574
43. Pupil Transportation ¹			26,826	18,616	20,866	90,197	428,145	584,650
44. Tuition-MSD					4,249,679			4,249,679
45. Subtotal			366,732	262,409	5,016,592	451,282	258,115,191	264,212,206
46. Total Expenditures	19,463.2	10,821.5	1,401,158,120	669,747,471	73,198,193	17,007,758	258,404,803	2,419,516,345

¹Pupil Transportation Cost includes only the costs for pupils who are wards of the court or state

²From page 3 of the SE-4096 and does not include federally funded costs or general special education transportation costs

The *Category* column lists the funding categories used to report special education costs. These funding categories align with the Michigan Public School Accounting Manual, used as the basis for public school district accounting systems. Lines 2-14 are the special education classroom categories used in Michigan. It should be noted that the classroom category is determined by the teacher's certification and job assignment, not the **pupil's disability**. For example, a *Mild Cognitive Impairment* program is a classroom with a teacher certified and assigned to teach this category. The district may place pupils with any disability in the program (mild cognitive impairment, learning disability, emotional impairment, etc.) if the individualized educational planning team (IEPT) determines the placement to be the most appropriate for that pupil. Line 1 – LRE Aides is for the costs of aides assigned by the IEPT to a pupil receiving instruction in a general education classroom.

Line 15 – Section 24 costs are the costs public schools incur operating educational programs for pupils, who by court order are unable to attend the public school districts. Such programs are housed on the grounds of juvenile detention facilities or licensed child caring institutions. Lines 17 through 32 report the costs associated with special education personnel who provide support or ancillary services rather than classroom instruction.

Pupils with disabilities under the age of 6 may be placed in a noncategorical classroom labeled Early Childhood Special Education Program. The personnel and costs associated with this type of classroom program are reported on line 11. Pupils in this setting are usually aged three through five. The Early Childhood Home Program, listed on line 29 of Table 1, is an instructional service provided to children less than six years of age. This category is used to report costs for pupils, usually under age 3, who are normally served at home or in other community settings.

Lines 33 through 36 are used by school districts to report administrative and administrative support expenses related to the operation of special education. Lines 39 through 44 are categories where districts report special costs and prior year cost adjustments. These will be discussed later in this document.

The *Professionals* column in Table 1 shows the total number of full time equivalent professional personnel eligible for state aid reimbursement. Such personnel are defined in the Michigan Administrative Rules for Special Education. The next column reports the number for full time equivalent state reimbursed special education *Aides*. This column includes health care, instructional, and support aides. It does not include secretaries, interpreters, or other related classes of paraprofessionals, even though their wages are reported in the salaries column.

The *Purchased Services* column in Table 1 includes the amounts for contracted professional services from physicians, psychologists, along with other contracted services. In lines 1 through 14, the purchased services amounts also include the costs for contracting for substitute teachers and aides from private third party companies.

The *Supplies and Materials* column in Table 1 lists the cost of instructional equipment and supplies used exclusively for special education. Items such as student desks and movie projectors, which must be available for all pupils, are not reported as costs unique to special education. Noninstructional and administrative equipment, such as copy machines and postage meters are also excluded.

The *Other Expenses* column in Table 1 is where districts report dues and fees for professional organizations related to special education as well as other miscellaneous

expenses. Also included in this column are the costs for providing criminal background checks on staff as required under Michigan law.

In order to develop a cost per pupil, this report starts with the basic costs of special education found in the Total column in Table 1 and then adds in costs that support more than one program. Such costs, like administration, have to be prorated across the various basic programs and services. This distribution is found in Table 2 on the following page. Below is an explanation of the distribution of common costs found in *Table 2. Redistribution of Various Shared Costs Across Special Education Programs and Services*.

As noted earlier, districts were allowed to charge an indirect rate to reflect the operation and maintenance overhead related to special education programs and services as reported on line 39 of the SE-4096 Special Education Actual Cost Report (Table 1). The statewide indirect rate for 2006-07 was approximately 12.1 percent. The indirect rate was calculated based on the costs shown in lines 1 through 15 and 17 through 36. The column titled Indirect Costs in Table 2 shows the effects of the proportional redistribution of the indirect costs (\$260,808,955) to the appropriate programs, services and administrative costs.

Districts are also allowed to report miscellaneous expenses related to special education. These are found on lines 40 through 44 in the SE-4096 Total Costs column in Table 2. The following is a description of each line.

1. Line 40. *Board of Education/Adjustment* includes cost adjustments from previous years that occurred after the closing of that particular year. These are done as prior year adjustments to reflect either the over or under reporting of expenditures during a given year. This line also includes costs for hearing officers and mediation fees.
2. Line 41. *Capital Outlay* includes expenses for nonconsumable instructional equipment pieces costing \$1,000 or more and used exclusively for special education purposes.
3. Line 42. *Direct Operation and Maintenance* includes expenses allowed for programs operated in self-contained special education buildings where the district chooses to direct bill operation and maintenance costs rather than to use the district's assigned indirect rate.
4. Line 43. *Pupil Transportation* includes the expenses for providing transportation for special education pupils whose IEP requires such services. The transportation amount included in Table 1 only includes the costs for transporting pupils who are wards of the court or state, or pupils placed by their parents in a residential facility in another intermediate school district (known as Section 53a pupils). Table 2 includes the additional amount of \$247,183,573 for special education non-Section 53a eligible pupils. This amount is originally reported on the form SE-4094 Transportation Expenditure Report.
5. Line 44. *Tuition-MSD* includes the costs paid by intermediate school districts as tuition related to operating educational programs at the Michigan Schools for the Deaf and Blind, (known hereafter as Michigan School for the Deaf) including salaries, purchased services, operation and maintenance, etc.

The *Capital Outlay* column in Table 2 shows the redistribution of the amount of \$1,326,340 reported on line 41. The SE-4096 Special Education Actual Cost Report breaks down the amount of capital outlay expenditures between instructional programs and support services.

TABLE 2. REDISTRIBUTION OF VARIOUS SHARED COSTS ACROSS SPECIAL EDUCATION PROGRAMS AND SERVICES

Category	SE-4096 and SE-4094 Total Costs	Indirect Costs Redistrib	Capital Outlay Redistrib	Misc Costs ² Redistrib	Federal Funds ³ Redistrib	Sect. 51a6 Rule Costs ⁴ Redistrib	Admin Costs Redistrib	TOTAL ADJUSTED COSTS ⁵
1. LRE Classroom Aides	71,549,177	80,207,200	80,241,779	80,150,253	92,281,266	92,281,266	98,804,449	103,826,218
2. Mild Cognitive Imp.	116,140,364	130,194,277	130,250,406	130,101,838	149,793,192	150,476,993	161,113,918	169,302,586
3. Moderate Cog Imp.	109,585,053	122,845,721	122,898,682	122,758,500	141,338,415	141,338,415	151,329,352	159,020,716
4. Severe Cognitive Imp.	39,751,193	44,561,405	44,580,616	44,529,766	51,269,497	51,493,469	55,133,442	57,935,617
5. Emotional Impairment	116,099,485	130,148,451	130,204,561	148,991,612	171,541,998	171,541,998	183,667,967	193,002,952
6. Learning Disability	84,902,408	95,176,279	95,217,311	95,108,703	109,503,728	109,503,728	117,244,333	123,203,315
7. Hearing Impairment	26,780,869	30,021,568	30,034,511	30,000,253	34,540,893	34,540,893	36,982,521	38,862,170
8. Visual Impairment	4,456,986	4,996,317	4,998,471	4,992,770	5,748,443	5,748,443	6,154,789	10,359,924
9. Physical Impairment	23,795,277	26,674,696	26,686,196	26,655,757	30,690,196	30,690,196	32,859,626	34,529,727
10. Severe Multiple Imp.	54,091,026	60,636,473	60,662,615	60,593,421	69,764,441	69,764,441	74,695,953	78,492,399
11. Early Child Program	60,650,045	67,989,186	68,018,497	67,940,913	90,268,988	90,268,988	96,649,927	101,562,191
12. Severe Language Imp	2,978,234	3,338,624	3,340,063	3,336,253	3,841,206	3,841,206	4,112,733	4,321,764
13. Autistic Impairment	86,737,695	97,233,650	97,275,569	97,164,614	111,870,808	111,870,808	119,778,737	125,866,531
14. Resource Room	544,299,943	610,164,591	610,427,645	609,731,373	702,016,283	702,016,283	751,640,445	789,842,819
15. Section 24	16,903,567	18,949,034	18,957,203					
16. Subtotal	1,358,721,322	1,523,137,472	1,523,794,125	1,522,056,026	1,764,469,354	1,765,377,127	1,890,168,192	1,990,128,930
17. Health Services	102,072,289	114,423,853	114,509,663	114,379,050	131,690,707	131,690,707	140,999,666	148,166,021
18. Psychological	93,229,388	104,510,890	104,589,266	104,469,968	120,281,852	120,281,852	128,784,342	
19. Speech & Audiology	191,296,853	214,445,303	214,606,122	214,361,336	246,805,651	247,948,003	265,474,964	278,967,817
20. Social Work	131,753,488	147,696,714	147,807,476	147,638,882	169,984,527	169,984,527	182,000,402	191,250,633
21. Visual Aid	2,681,435	3,005,910	3,008,164	3,004,733	3,459,510	3,459,510	3,704,056	
22. TC Cognitive Imp.	16,514,564	18,512,958	18,526,841	18,505,709	21,306,611	21,306,611	22,812,734	23,972,199
23. TC Emotionally Imp.	21,657,445	24,278,169	24,296,376	24,268,663	27,941,807	27,941,807	29,916,959	31,437,498
24. TC Learning Disabled	41,281,437	46,276,821	46,311,525	46,258,701	53,260,112	53,260,112	57,024,965	59,923,278
25. TC Hearing Imp.	10,748,791	12,049,481	12,058,517	12,044,763	13,867,779	13,867,779	14,848,065	15,602,723
26. TC Visually Imp.	8,875,558	9,949,572	9,957,033	9,945,676	11,450,988	11,450,988	12,260,436	12,883,577
27. TC POHI	4,711,200	5,281,293	5,285,254	5,279,225	6,078,254	6,078,254	6,507,914	6,838,681
28. TC Autistic Imp.	6,852,063	7,681,217	7,686,977	7,678,209	8,840,332	8,840,332	9,465,238	9,946,312
29. Early Child Home Prog	17,312,805	19,407,793	19,422,347	19,400,193	22,336,478	22,336,478	23,915,400	25,130,921
30. Physical Education	4,607,928	5,165,524	5,169,398	5,163,502	5,945,016	5,945,016	6,365,258	
31. Other Pupil Support	13,209,991	14,808,506	14,819,611	14,802,707	17,043,147	17,043,147		
32. Improve of Instruction	5,257,315	5,893,492	5,897,912	5,891,185	6,782,836	6,782,836		
33. Supervision/Direction	104,830,926	117,516,096	117,604,244	117,470,101	135,249,599	135,249,599		
34. School Principal	17,365,365	19,466,713	19,481,312	19,459,091	22,404,290	22,404,290		
35. Support Serv Central	2,205,562	2,472,453	2,474,307	2,471,485	2,845,553	2,845,553		
36. Support Serv Other	119,414	133,864	133,964	133,811	154,064	154,064		
37. Subtotal	796,583,817	892,976,622	893,646,309	892,626,990	1,027,729,111	1,028,871,463	904,080,398	804,119,660
38. Subtotal	2,155,305,139	2,416,114,094	2,417,440,434	2,414,683,016	2,792,198,465	2,794,248,590	2,794,248,590	2,794,248,590
39. Indirect Costs	260,808,955							
40. Bd. of Education Adj	-3,513,992	-3,513,992	-3,513,992					
41. Capital Outlay	1,326,340	1,326,340						
42. Direct O & M	756,574	756,574	756,574					
43. Pupil Transportation ¹	247,768,223	247,768,223	247,768,223	247,768,223	247,768,223	247,768,223	247,768,223	247,768,223
44. Tuition-MSD	4,249,679	4,249,679	4,249,679	4,249,679	4,249,679	4,249,679	4,249,679	4,249,679
45. Subtotal	511,395,779	250,586,824	249,260,484	252,017,902	252,017,902	252,017,902	252,017,902	252,017,902
46. Total Expenditures	2,666,700,918	2,666,700,918	2,666,700,918	2,666,700,918	3,044,216,367	3,046,266,492	3,046,266,492	3,046,266,492

¹Pupil Transportation Cost include the special education transportation costs from the SE-4094 Transportation Expenditure Report

²Miscellaneous Costs include Board of Education/Adjustment and Direct Operation and Maintenance lines

³Federal Funds come from the Interim Federal Expenditure Report in the Michigan Electronic Grants System for IDEA funds

⁴Section 51a6 cost of \$2,050,125 added. \$1,142,352 to Line 19, \$683,801 to Line 2 and \$223,972 to Line 3

⁵Visual Aid Costs added to the Visual Impairment classroom program line

Therefore \$656,665 or 0.043% was redistributed across lines 1 through 15 and \$669,665 or 0.074 was distributed across lines 17 through 36.

The *Miscellaneous Costs* column in Table 2 shows the redistribution of \$-2,757,418. This is a total of lines 40 and 42. The fact that this amount is negative indicates that districts over reported expenditures during the 2005-06 school year and the revisions were made after the close of that year necessitating a prior year adjustment. This amount represents approximately 0.11 percent of the total cost of special education.

The costs reported in Table 2 on line 15 entitled Section 24 represent the educational costs for pupils receiving their education on the grounds of a juvenile detention facility or on the grounds of licensed child caring institutions. Since the majority of the pupils in these programs are reported as pupils with emotional impairments for pupil membership purposes, the costs on this line are being added to line 5 – Emotional Impairment.

School districts reported a total expenditure of \$377,515,549 in federal funds related to the operation of special education programs and services that were not included in the SE-4096 total costs found in Table 1. Included in the total federal amount was \$12,044,978 in IDEA 619 funds for preschool pupils ages three through five. These pupils funded under Section 619 are usually served in preprimary programs whose costs are reported on line 11. Therefore, the Section 619 funds were added into line 11 when calculating the Federal Funds redistribution in Table 2. The remaining balance of \$365,470,571 was redistributed across all of the programs and services categories. This redistribution is also found in the column labeled *Federal Funds*.

Similarly to the Federal Fund redistribution in the paragraph above, school districts reported \$2,050,125 in costs related to program and service changes required by the 1987 Revised Michigan Administrative Rules for Special Education. These costs, known as Section 51a6 costs, are not included in Table 1. The costs were attributed to the specific rule under revision and thus \$1,142,352 was added to line 19 - Speech and Audiology, \$683,801 was added to line 2 - Mild Cognitive Impairment and \$223,972 was added to line 3 - Severe Cognitive Impairment. These costs are added in the column labeled *Section 51a6 Rule Costs*.

The next step in identifying the costs of special education programs and services was to redistribute the administrative expenses across all program and service categories. The administrative and other expenses were reported on lines 31 through 36 of Table 2. The redistribution of these expenses (\$184,479,489) is found on Table 2 in the column labeled *Administrative Costs*.

Services of school psychologists from line 18 and physical education teachers for the disabled from line 30 of Table 2 could not be associated with any specific program. Therefore, these costs were proportionately redistributed across all of the programs and services. The costs for developing visual aids reported on line 21 of Table 2 were added to programs for pupils with visual impairments on line 8, since these materials are used primarily for students in this disability category. The distribution of these costs is found in the last column of Table 2, entitled *Total Adjusted Costs*.

The costs for Pupil Transportation (line 43) and Tuition-MSD (line 44) remain constant and were not redistributed among the programs and services on the above lines. The SE-4094 Transportation Expenditure Report shows a total of \$247,768,223 in special education transportation expenses. These expenses include the costs of amortizing school buses used exclusively as pupil transportation vehicles, but do not include the capital expenditure of

purchasing such a vehicle in the given year. The Transportation Expenditure Report indicates there were 44,561 special education riders during 2006-07 which translates into a per rider cost for special education of \$5,560. This compares with \$521,662,993 for transporting 991,425 general education riders for a per pupil cost of \$526.00.

The next step in identifying the cost of special education programs and services was to determine the number of students educated in the various types of programs and receiving certain services. This information is found in *Table 3. 2006-07 Pupil Count Data*, which is on the following page.

During the 2006-07 school year, pupil count data was collected two different ways in Michigan. The first type was by full time equivalency (FTE) of the assignment of pupils with disabilities to special education classrooms. The other collection was by head count. The full time equivalency in special education classrooms was counted on the second Wednesday in February 2006 and the fourth Wednesday of September of the same year. For the purposes of this study, the September 2006 count was used as the best estimation of the amount of time that pupils with disabilities were spending with special education classroom teachers during the 2006-07 school year. This data is shown in the *Fall '06 FTE Count* column of Table 3.

Headcount information for the 2006-07 school year is found in the *Dec. 1 '06 Head Count* column of Table 3. It was taken from the December 1, 2006 federal count data base. Head count in this table was summarized by the programs and services that had associated cost lines on the Special Education Actual Cost Report as reported in Tables 1 and 2.

The December 1 headcount includes only those pupils who have been determined eligible for special education programs and services. There are a substantial number of pupils who were evaluated during the 2006-07 school year by psychologists, social workers, teacher consultants, and other ancillary personnel and who were determined ineligible for special education. While the costs for this activity were included in the data base, the December 1 Head Count in Table 3, only includes pupils who were determined eligible and receiving special education programs and/or services on December 1, 2006.

The pupil FTE count and the head count on Table 3 are unduplicated counts. *The Headcount of Classroom Pupils Receiving Teacher Consultant, Speech Services, Social Work, Occupational Therapy (OT), and Physical Therapy (PT)* includes duplicate information. For example, a classroom pupil with a mild cognitive impairment receiving teacher consultant and speech services is counted in both columns, since the pupil is receiving two additional services.

Table 4, on page 12 was used to calculate per pupil costs. The column listed as *Classroom* contains the special education classroom instructional costs. This column corresponds to the redistributed instructional costs calculated in the last column of Table 2, entitled *Total Adjusted Costs*. The Teacher Consultant costs in Table 4 were calculated by taking a combined average per pupil cost for all teacher consultant services of \$7,572 times the number of pupils receiving each service from Table 3. It should be noted that all calculations in this table are extended at least ten decimal places. For example, the actual multiplier for each teacher consultant pupil was \$7571.7442364811. Data in Table 4 as well as the cost data in the narrative for Table 4 are rounded to the nearest dollar to simplify reporting.

The average of \$2,569 (\$2,568.5279163981) per speech pupil was used to calculate the cost for speech and audiology services. The average cost of \$4,223 (\$4,223.3599726173)

TABLE 3. 2006-07 PUPIL COUNT DATA

*Headcount of Classroom Pupils
Receiving Ancillary Services*

	Fall '06 FTE Count ¹	Dec. 1 '06 Head Count ²	Teacher Consultant	Speech Services	Social Work	OT/PT
1 Mild Cognitive Impairment	10,624	14,762	432	5,512	2,989	2,443
2 Moderate Cognitive Impairment	7,972	8,170	695	3,650	1,657	2,646
3 Severe Cognitive Impairment	2,023	2,033	267	1,191	411	1,740
4 Emotional Impairment	8,091	10,909	258	1,776	6,135	682
5 Learning Disability	7,728	13,158	228	3,055	2,456	525
6 Hearing Impairment	827	1,123	74	806	160	152
7 Visual Impairment	141	236	12	51	18	43
8 POHI	958	1,221	77	576	141	1,365
9 Severe Multiple Impairment	2,292	2,337	223	1,411	373	3,061
10 Early Childhood Spec Ed Program	8,406	9,749	216	8,263	881	4,856
11 Severe Language Impairment	199	436	7	127	35	72
12 Austistic Impairment	2,730	3,065	252	2,770	711	1,454
13 Resource Room	32,978	110,477	2,902	24,674	24,422	8,168
14 Early Childhood Spec Ed Services	1,306	3,826	81	1,104	76	1,932
15 Tuition - MSD	146	171				
16 Services Only		67,333				
17 Subtotal	86,421	249,006	5,724	54,966	40,465	29,139
<i>Duplicated Counts for Pupils in General Education Receiving Ancillary Services Only</i>						
18 Health Services						4,257
19 Speech and Audiology				50,197		
20 Social Work					2,016	
21 TC Cognitive Impaired			1,473	345	229	178
22 TC Emotionally Impaired			3,311	653	706	284
23 TC Learning Disabled			8,429	1,680	1,518	606
23 TC Hearing Impaired			890	348	33	58
25 TC Visually Impaired			398	47	26	108
26 TC POHI			601	133	96	239
27 TC Autistic Impaired			385	241	195	166
28 Subtotal			15,487	53,644	4,819	5,896
29 TOTAL	86,421	249,006	21,211	108,610	45,284	35,035

¹Unduplicated count of pupils assigned to the program in full time equivalency (FTE) from September 2006 count

²Unduplicated count of pupils assigned to the program in head count from December 1, 2006 count

for each pupil receiving social work services was used to generate the costs in the *Social Work* column and the *Health Service* costs were based on a per pupil cost of \$4,229 (\$4,229.0857999144).

The next section of Table 4 shows the statewide average Cost Per Pupil. The column labeled *Classroom* shows the full time equivalency (FTE) cost for each pupil in a special education classroom program. This was calculated by dividing the FTE pupil count from each of the program lines 1 through 14 in Table 3 into the corresponding cost for each type of classroom reported on lines 1 through 14 in the *Classroom* column of Table 4.

The Service column under the *Cost Per Pupil* reported in Table 4 was calculated line-by-line by adding the *Teacher Consultant*, *Speech*, *Social Work*, and *Health Service* costs and then dividing them by the FTE number of pupils for each corresponding program listed in Table 3.

The *Costs for Pupils in General Education Receiving Services Only* are reported on Lines 17 through 27 of Table 4. These are costs associated with pupils who are receiving all of their classroom instruction from general education teachers and who receive only related services from special education personnel. These costs are calculated by taking the head count for pupils receiving ancillary services only in Table 3 multiplied by the average cost for each service.

The *Average Cost Per Pupil* reported in the next to last column of Table 4 is the sum of all the *Costs for Classroom Programs* divided by the full time equivalent pupils for each type of classroom from Table 3. The classroom costs for pupils who only received a special education service was charged to general education, so the average pupil costs on lines 17 through 27 of Table 4 only reflects special education service expenses. It was calculated by adding the total head count of each category of service from Table 3, *Duplicate Counts for Pupils in General Education Receiving Services Only*.

The last column of Table 4 shows the K-12 cost ratio for pupils assigned to special education classrooms. This was calculated by dividing the *Average Per Pupil Cost* by the statewide average K-12 per pupil cost of \$9,177. The statewide average K-12 per pupil cost of \$9,177 was taken from the Michigan Department of Education Bulletin 1014 for 2006-07. This document reports operational costs from all sources – local, state, federal and intermediate units of government. It does not include capital expenditures for buildings, grounds, remodeling or payment on bonded indebtedness.

Discussion

As noted earlier, the actual cost of special education is unique for each eligible pupil depending on the number and type of programs and services provided. A number of special education statewide averages can be developed. The following will be discussed: (1) the average costs of pupils who received a special education service, (2) the average pupil cost in a special education classroom, (3) the average cost for pupils receiving both a special education classroom program and a service, and (4) the combined average cost per pupil.

1. The sum of total cost for pupils who only received a related special education service from lines 17 through 27 of Table 4 is \$404,162,993. This was the cost for providing services to pupils receiving all of their instruction in K-12 classrooms. The total number of pupils receiving these services, as reported on lines 18 through 27 of Table 3 was 79,846. This yields an average cost of \$5,062 for pupils who only received a special education service in the 2006-07 school year.

TABLE 4. 2006-07 SPECIAL EDUCATION PER PUPIL COSTS FOR PROGRAMS AND SERVICES

Description	Cost for Classroom Programs						Cost Per Pupil			K-12 Cost Ratio
	Classroom	Teacher Consultant	Speech	Social Work	Health Serv	Total	Classroom	Service	Average	
1 Mild Cognitive Imp	169,302,586	3,270,994	14,157,726	12,623,623	10,331,657	209,686,586	15,936	3,801	19,737	2.15
2 Mod Cogn Imp	159,020,716	5,262,362	9,375,127	6,998,107	11,190,161	191,846,473	19,947	4,118	24,065	2.62
3 Severe Cogn Imp	57,935,617	2,021,656	3,059,117	1,735,801	7,358,609	72,110,800	28,638	7,007	35,645	3.88
4 Emotional Imp	193,002,952	1,953,510	4,561,706	25,910,313	2,884,237	228,312,718	23,854	4,364	28,218	3.07
5 Learning Disability	123,203,315	1,726,358	7,846,853	10,372,572	2,220,270	145,369,368	15,942	2,868	18,810	2.05
6 Hearing Imp	38,862,170	560,309	2,070,234	675,738	642,821	42,811,272	46,992	4,775	51,767	5.64
7 Visual Imp	10,359,924	90,861	130,995	76,020	181,851	10,839,651	73,475	3,402	76,877	8.38
8 Physical Imp	34,529,727	583,024	1,479,472	595,494	5,772,702	42,960,419	36,044	8,800	44,844	4.89
9 Severe Mult Imp	78,492,399	1,688,499	3,624,193	1,575,313	12,945,232	98,325,636	34,246	8,653	42,899	4.67
10 Early Child Prog	101,562,191	1,635,497	21,223,746	3,720,780	20,536,441	148,678,655	12,082	5,605	17,687	1.93
11 Severe Lang Imp	4,321,764	53,002	326,203	147,818	304,494	5,153,281	21,717	4,178	25,895	2.82
12 Autistic Imp	125,866,531	1,908,080	7,114,822	3,002,809	6,149,091	144,041,333	46,105	6,657	52,762	5.75
13 Resource Room	789,842,819	21,973,202	63,375,858	103,142,897	34,543,173	1,012,877,949	23,951	6,763	30,714	3.35
14 Early Child Home	25,130,921	613,311	2,835,655	320,975	8,170,594	37,071,456	19,243	9,143	28,386	3.09
15 Tuition - MSD						4,249,679	29,107		29,107	3.17
16 Transportation						247,768,223		5,560	5,560	10.57
Subtotal	1,911,433,632	43,340,665	141,181,707	170,898,260	123,231,333	2,642,103,499				
Cost for Pupils in General Education Receiving Services Only										
17 LRE Aides						103,826,218				
18 Health Services					18,003,218	18,003,218		4,229	4,229	0.46
19 Speech/Audiology			128,932,396			128,932,396		2,569	2,569	0.28
20 Social Work				8,514,294		8,514,294		4,223	4,223	0.46
21 TC Cognitive Imp		11,153,179	886,142	967,149	752,777	13,759,247		6,184	6,184	0.67
22 TC Emotionally Imp		25,070,045	1,677,249	2,981,692	1,201,060	30,930,046		6,243	6,243	0.68
23 TC Learn Disabled		63,822,232	4,315,127	6,411,060	2,562,826	77,111,245		6,304	6,304	0.69
24 TC Hearing Imp		6,738,852	893,848	139,371	245,287	8,017,358		6,033	6,033	0.66
25 TC Visually Imp		3,005,982	120,721	109,807	456,741	3,693,251		6,379	6,379	0.70
26 TC POHI		4,550,618	341,614	405,443	1,010,752	6,308,427		5,901	5,901	0.64
27 TC Autistic Imp		2,922,696	619,013	823,557	702,027	5,067,293		5,134	5,134	0.56
Subtotal		117,263,604	137,786,110	20,352,373	24,934,688	404,162,993				
28 TOTAL	1,911,433,632	160,604,269	278,967,817	191,250,633	148,166,021	3,046,266,492				

2. The statewide average special education classroom instructional cost for full time equivalent pupils in Michigan for the 2006-07 school year was calculated by adding the total classroom costs from lines 1 through 14 from table 4 and dividing the total FTE for lines 1 through 14 of Table 3. This gives an average cost of \$22,155 (\$1,911,433,632 divided by 86,275 FTE pupils). This calculation does not include the cost of pupils enrolled at the Michigan School for the Deaf. It represents the cost for the average public school special education pupil who spent all of the day in a special education classroom. The range went from \$12,082 for pupils with disabilities in early childhood special education programs, which are generally operated a half-day or less, to a maximum of \$73,475 for pupils who spent the full day in classrooms for pupils with visual impairments.
3. The statewide average cost for all pupils placed in a special education classroom, who also received a related service, was \$27,705. This was calculated by dividing the total 86,421 full time equated pupils from Table 3 into the total cost of programs and services \$2,394,335,276 which excluded transportation costs. If the total specialized transportation costs of \$247,768,223 were included in the total costs of programs and services, the state wide average per pupil cost would increase to \$30,572.
4. Consumers and providers of special education often ask for the average cost of a special education pupil. This is calculated by dividing the total unduplicated pupil count of 249,006 from Table 3 into the total cost of special education from Table 4 of \$2,798,492,269 (excluding transportation costs). The average cost for a special education pupil in Michigan for 2006-07 was \$11,239. If transportation costs were factored in, the unduplicated pupil count of 249,006 divided into the total special education costs from Table 4 of \$3,046,266,492 would yield an average cost for a special education pupil in Michigan for 2006-07 of \$12,234.

Keep in mind that the special education per pupil costs discussed in this study are estimates based on a single pupil count date. This especially affects the reported costs for special education services where there is a turnover of pupils during the school year. Data is not available on the cumulative number of pupils receiving speech, homebound, or other short-term services. If it were, the use of cumulative counts would substantially reduce the statewide average per pupil cost for services.

Another way to look at the cost of special education is to compare it to the cost of general education. This information is listed in Table 4 as *Cost Ratios*. The largest ratio when a particular cost set of special education is compared to general education is found when providing transportation services at 10.57. The smallest ratio for a full day classroom program is found in classrooms for pupils with specific learning disabilities at 2.05.

Table 5. Comparison of Total Enrollment and Costs Between K-12 and Special Education shows the special education cost as a percent of statewide K-12 expenditures. The information contained in this chart is depicted in two tables Table 5a and Table 5b. Table 5a does not include the cost of specialized transportation in the comparison. Earlier versions of this study elicited many comments on how this chart would change with the inclusion of transportation expenditures. Therefore, Table 5b is included in this study to show the relationship of transportation expenditures. Specialized transportation expenditures were available from 1997-98 through the 2006-07 year.

**TABLE 5a. COMPARISON OF TOTAL ENROLLMENT AND COSTS BETWEEN K-12
AND SPECIAL EDUCATION**

YEAR	PUPIL ENROLLMENT DATA			COST DATA					
	K-12 PUPILS ¹	SP. EDUC. DEC. 1st COUNT ³	PERCENT SP. EDUC.	K-12 COST ¹	SP. EDUC. COST ²	PERCENT SP. EDUC.	K-12 PUPIL COST	S.E. PUPIL COST	RATIO
1990-91	1,648,515	172,738	10.48%	7,195,767,975	1,023,953,972	14.23%	4,365	5,928	1.36
1991-92	1,669,980	175,464	10.51%	7,693,597,860	1,117,171,568	14.52%	4,607	6,367	1.38
1992-93	1,672,486	180,114	10.77%	8,053,020,090	1,218,862,156	15.14%	4,815	6,767	1.41
1993-94	1,664,185	184,245	11.07%	8,738,635,435	1,306,488,528	14.95%	5,251	7,091	1.35
1994-95	1,653,565	188,703	11.41%	9,519,573,705	1,442,579,363	15.15%	5,757	7,645	1.33
1995-96	1,673,879	194,365	11.61%	10,121,946,313	1,552,579,432	15.34%	6,047	7,988	1.32
1996-97	1,680,693	199,244	11.85%	10,509,373,329	1,646,737,976	15.67%	6,253	8,265	1.32
1997-98	1,694,320	205,879	12.15%	10,745,377,440	1,703,078,938	15.85%	6,342	8,272	1.30
1998-99	1,709,892	213,869	12.51%	11,319,485,040	1,810,489,056	15.99%	6,620	8,465	1.28
1999-00	1,714,815	219,659	12.81%	12,039,716,115	1,961,275,161	16.29%	7,021	8,929	1.27
2000-01	1,720,335	227,002	13.20%	12,702,953,640	2,085,142,276	16.41%	7,384	9,186	1.24
2001-02	1,731,092	232,440	13.43%	13,294,786,560	2,211,078,467	16.63%	7,680	9,512	1.24
2002-03	1,750,631	238,327	13.61%	13,842,239,317	2,366,647,242	17.10%	7,907	9,930	1.26
2003-04	1,734,019	245,018	14.13%	14,924,701,533	2,503,980,703	16.78%	8,607	10,220	1.19
2004-05	1,723,087	248,830	14.44%	15,140,765,469	2,681,945,891	17.71%	8,787	10,778	1.23
2005-06	1,712,133	250,769	14.65%	15,392,075,670	2,797,130,030	18.17%	8,990	11,154	1.24
2006-07	1,693,436	249,006	14.70%	15,540,662,172	2,876,356,949	18.51%	9,177	11,551	1.26

Sources: ¹Bulletin 1014, Michigan Public Schools Ranked by Select Financial Data, Michigan Department of Education, 1990-91 to 2006-07

¹Bulletin 1014 data only includes LEA and PSA pupil counts and general fund expenditures

²SE-4096, Special Education Actual Cost Report, Page 2 District Expenditures, 1990-91 to 2006-07

²Includes all state and federal grant expenditures for special education

³December 1, Pupil Count Data, 1990-2006

TABLE 5b. COMPARISON OF TOTAL ENROLLMENT AND COSTS BETWEEN K-12 AND SPECIAL EDUCATION AND SPECIAL EDUCATION TRANSPORTATION

YEAR	PUPIL ENROLLMENT DATA			COST DATA							
	K-12 PUPILS ¹	SP. EDUC. DEC. 1st COUNT ³	PERCENT SP. EDUC.	K-12 COST ¹	SP. EDUC. COST ²	TRANSPORT. COST ⁴	SP. EDUC. AND TRANSPORT. COST	PERCENT SP. EDUC.	K-12 PUPIL COST	S.E. PUPIL COST	RATIO
1990-91	1,648,515	172,738	10.48%	7,195,767,975	1,023,953,972	NA	1,023,953,972	14.23%	4,365	5,928	1.36
1991-92	1,669,980	175,464	10.51%	7,693,597,860	1,117,171,568	NA	1,117,171,568	14.52%	4,607	6,367	1.38
1992-93	1,672,486	180,114	10.77%	8,053,020,090	1,218,862,156	NA	1,218,862,156	15.14%	4,815	6,767	1.41
1993-94	1,664,185	184,245	11.07%	8,738,635,435	1,306,488,528	NA	1,306,488,528	14.95%	5,251	7,091	1.35
1994-95	1,653,565	188,703	11.41%	9,519,573,705	1,442,579,363	NA	1,442,579,363	15.15%	5,757	7,645	1.33
1995-96	1,673,879	194,365	11.61%	10,121,946,313	1,552,579,432	NA	1,552,579,432	15.34%	6,047	7,988	1.32
1996-97	1,680,693	199,244	11.85%	10,509,373,329	1,646,737,976	NA	1,646,737,976	15.67%	6,253	8,265	1.32
1997-98	1,694,320	205,879	12.15%	10,745,377,440	1,703,078,938	153,453,630	1,856,532,568	17.28%	6,342	9,018	1.42
1998-99	1,709,892	213,869	12.51%	11,319,485,040	1,810,489,056	157,998,000	1,968,487,056	17.39%	6,620	9,204	1.39
1999-00	1,714,815	219,659	12.81%	12,039,716,115	1,961,275,161	161,291,722	2,122,566,883	17.63%	7,021	9,663	1.38
2000-01	1,720,335	227,002	13.20%	12,702,953,640	2,085,142,276	190,478,921	2,275,621,197	17.91%	7,384	10,025	1.36
2001-02	1,731,092	232,440	13.43%	13,294,786,560	2,211,078,467	191,533,138	2,402,611,605	18.07%	7,680	10,336	1.35
2002-03	1,750,631	238,327	13.61%	13,842,239,317	2,366,647,242	202,577,948	2,569,225,190	18.56%	7,907	10,780	1.36
2003-04	1,734,019	245,018	14.13%	14,924,701,533	2,503,980,703	210,033,059	2,714,013,762	18.18%	8,607	11,077	1.29
2004-05	1,723,087	248,830	14.44%	15,140,765,469	2,681,945,891	226,127,279	2,908,073,170	19.21%	8,787	11,687	1.33
2005-06	1,712,133	250,769	14.65%	15,392,075,670	2,797,130,030	241,445,977	3,038,576,007	19.74%	8,990	12,117	1.35
2006-07	1,693,436	249,006	14.70%	15,540,662,172	2,876,356,949	247,183,573	3,123,540,522	20.10%	9,177	12,544	1.37

Sources: ¹Bulletin 1014, Michigan Public Schools Ranked by Select Financial Data, Michigan Department of Education, 1990-91 to 2006-07

¹Bulletin 1014 data only includes LEA and PSA pupil counts and general fund expenditures

²SE-4096, Special Education Actual Cost Report, Page 2 District Expenditures, 1990-91 to 2006-07

²Includes all state and federal grant expenditures for special education

³December 1, Pupil Count Data, 1990-2006

⁴SE-4094, Transportation Expenditure Report, 1997-98 to 2006-07

This table shows special education cost as a percentage of the statewide K-12 expenditures. Special education represented 14.23 percent of Michigan's total education cost in 1990-91. It increased to 18.51 percent by 2006-07, which is an average increase of .25 percent per year. If you factor in transportation costs, (as shown in Table 5b), special education represented 17.28 percent of Michigan's total education cost in 1996-97 and it increased to 20.10 percent in 2006-07. This is an average increase of .282 percent per year.

As noted in the same chart, part of this cost increase is due to the school district's placing an increased percentage of pupils in special education. Special Education has grown from 10.48 percent of the K-12 population in 1990-91 to 14.70 percent in 2006-07. This is an average yearly growth rate of approximately .248 percent.

As noted in Tables 5a and 5b, the increase in the number of pupils served each school year is a major factor affecting the cost of special education in Michigan. The increase in the costs of special education is also being driven by factors other than increased growth of special education. These include an increased demand for medically related services such as physical and occupational therapies, and the transfer of educational costs for severely involved pupils formerly served by state agencies in community health or human services agency facilities, as well as the Michigan School for the Deaf. There has also been an increased need for paraprofessional support. For example, the number of instructional and health care aides increased from 3,775 in 1989-90 to 10,822 by 2006-07. The ratio went from one aide for every 45 pupils in 1989 to one aide for every 23 pupils by 2006-07 (based on the headcount number of special education pupils).

A final comparison is the relationship of special education cost per pupil to the average cost of a K-12 pupil. *Table 6. Comparison of K-12 Special Education Pupil Costs by Headcount and Full Time Equivalency* shows K-12 cost per pupil and the special education cost per pupil. During the 2006-07 school year, the average cost to educate a general education pupil in Michigan was \$9,177. This compares to the average cost for all special education pupils of \$11,551 when calculated using headcount and \$33,283 when calculated using FTE. This is a ratio of 1.26 using headcount and 3.63 using FTE.

Conclusion

The cost of placement in special education varies dramatically depending on each pupil's special education needs. The range is from \$2,569 for a pupil only receiving a speech service to \$76,877 for a pupil placed full time in a classroom for pupils with visual impairments. The average cost for educating a special education pupil in Michigan for 2006-07 was \$11,551. This compares to an average cost of \$9,177 for a K-12 pupil.

The cost of special education in Michigan is growing faster than the cost of K-12 education. Looking to the future, the main reason for the increased cost is the continued growth in special education enrollment. Using national trends, it is predicted that the number of pupils referred to special education in Michigan will continue to increase. The U.S. Department of Education reported that Michigan serves 9.06 percent of its resident populations of children ages 3 through 21 as compared to the national average of 8.56 percent. Michigan also serves a smaller percentage of the school aged population in special education than any of the states it borders. Based on this information, it is predicted that the number of pupils referred to special education will continue to increase. The need to employ additional personnel to serve the ever increasing number of special education pupils will increase costs over the next few years.

TABLE 6a. COMPARISON OF K-12 AND SPECIAL EDUCATION PUPIL COSTS BY HEADCOUNT AND FULL TIME EQUIVALENCY (FTE)

YEAR	PUPIL ENROLLMENT DATA			COST DATA						
	K-12 PUPILS ¹	SP ED TOTAL PUPILS ²	SP ED FTE PUPILS ³	K-12 PUPIL COST	SP ED PUPIL COST ⁴	K-12 Per PUPIL COST ⁵	SP ED PER PUPIL COST	SP ED FTE PER PUPIL COST	SP ED/K-12 COST RATIO BY HEAD COUNT	SP ED/K-12 COST RATIO BY FTE
1990-91	1,648,515	172,738	67,519	7,195,767,975	1,023,953,972	4,365	5,928	15,165	1.36	3.47
1991-92	1,669,980	175,464	67,382	7,693,597,860	1,117,171,568	4,607	6,367	16,580	1.38	3.60
1992-93	1,672,485	180,114	67,827	8,053,015,275	1,218,862,156	4,815	6,767	17,970	1.41	3.73
1993-94	1,664,185	184,245	68,205	8,738,635,435	1,306,488,528	5,251	7,091	19,155	1.35	3.65
1994-95	1,653,565	188,703	69,673	9,519,573,705	1,442,579,363	5,757	7,645	20,705	1.33	3.60
1995-96	1,673,879	194,365	71,557	10,121,946,313	1,552,579,432	6,047	7,988	21,697	1.32	3.59
1996-97	1,680,693	199,244	73,845	10,509,373,329	1,646,737,976	6,253	8,265	22,300	1.32	3.57
1997-98	1,694,320	205,879	76,628	10,745,377,440	1,703,078,938	6,342	8,272	22,225	1.30	3.50
1998-99	1,709,892	213,869	78,923	11,319,485,040	1,810,489,056	6,620	8,465	22,940	1.28	3.47
1999-00	1,714,815	219,659	80,938	12,039,716,115	1,961,275,161	7,021	8,929	24,232	1.27	3.45
2000-01	1,720,335	227,002	83,666	12,702,953,640	2,085,142,276	7,384	9,186	24,922	1.24	3.38
2001-02	1,731,092	232,440	86,383	13,294,786,560	2,211,078,467	7,680	9,512	25,596	1.24	3.33
2002-03	1,750,631	238,327	88,944	13,842,239,317	2,366,647,242	7,907	9,930	26,608	1.26	3.37
2003-04	1,734,019	245,018	90,131	14,924,701,533	2,503,980,703	8,607	10,220	27,782	1.19	3.23
2004-05	1,723,087	248,830	90,032	15,140,765,469	2,681,945,891	8,787	10,778	29,789	1.23	3.39
2005-06	1,712,133	250,769	89,651	15,392,075,670	2,797,130,030	8,990	11,154	31,200	1.24	3.47
2006-07	1,693,436	249,006	86,421	15,540,662,172	2,876,356,949	9,177	11,551	33,283	1.26	3.63

Sources

¹Bulletin 1014, Michigan Public Schools Ranked by Select Financial Data, Michigan Department of Education, 1990-91 to 2006-07

²December 1, Pupil Count Data, 1990-2006

³DS4061, Fall Pupil Membership Count, 1990-91 to 2006-07

⁴SE-4096, Special Education Actual Cost Report, Page 2, District Expenditures, 1990-91 to 2006-07

⁵Bulletin 1014, rounded to the nearest whole dollar

TABLE 6b. COMPARISON OF K-12 AND SPECIAL EDUCATION PUPIL COSTS (incl. transportation) BY HEADCOUNT AND FULL TIME EQUIVALENCY (FTE)

YEAR	PUPIL ENROLLMENT DATA			COST DATA								
	K-12 PUPILS ¹	SP ED TOTAL PUPILS ²	SP ED FTE PUPILS ³	K-12 PUPIL COST	SP ED PUPIL COST ⁴	TRANSPORT COST ⁶	SP ED & TRANSPORT COST	K-12 Per PUPIL COST ⁵	SP ED PER PUPIL COST	SP ED FTE PER PUPIL COST	SP ED/K-12 COST RATIO BY HEAD COUNT	SP ED/K-12 COST RATIO BY FTE
1990-91	1,648,515	172,738	67,519	7,195,767,975	1,023,953,972	NA	1,023,953,972	4,365	5,928	15,165	1.36	3.47
1991-92	1,669,980	175,464	67,382	7,693,597,860	1,117,171,568	NA	1,117,171,568	4,607	6,367	16,580	1.38	3.60
1992-93	1,672,485	180,114	67,827	8,053,015,275	1,218,862,156	NA	1,218,862,156	4,815	6,767	17,970	1.41	3.73
1993-94	1,664,185	184,245	68,205	8,738,635,435	1,306,488,528	NA	1,306,488,528	5,251	7,091	19,155	1.35	3.65
1994-95	1,653,565	188,703	69,673	9,519,573,705	1,442,579,363	NA	1,442,579,363	5,757	7,645	20,705	1.33	3.60
1995-96	1,673,879	194,365	71,557	10,121,946,313	1,552,579,432	NA	1,552,579,432	6,047	7,988	21,697	1.32	3.59
1996-97	1,680,693	199,244	73,845	10,509,373,329	1,646,737,976	NA	1,646,737,976	6,253	8,265	22,300	1.32	3.57
1997-98	1,694,320	205,879	76,628	10,745,377,440	1,703,078,938	153,453,630	1,856,532,568	6,342	9,018	24,228	1.42	3.82
1998-99	1,709,892	213,869	78,923	11,319,485,040	1,810,489,056	157,998,000	1,968,487,056	6,620	9,204	24,942	1.39	3.77
1999-00	1,714,815	219,659	80,938	12,039,716,115	1,961,275,161	161,291,722	2,122,566,883	7,021	9,663	26,225	1.38	3.74
2000-01	1,720,335	227,002	83,666	12,702,953,640	2,085,142,276	190,478,921	2,275,621,197	7,384	10,025	27,199	1.36	3.68
2001-02	1,731,092	232,440	86,383	13,294,786,560	2,211,078,467	191,533,138	2,402,611,605	7,680	10,336	27,813	1.35	3.62
2002-03	1,750,631	238,327	88,944	13,842,239,317	2,366,647,242	202,577,948	2,569,225,190	7,907	10,780	28,886	1.36	3.65
2003-04	1,734,019	245,018	90,131	14,924,701,533	2,503,980,703	210,033,059	2,714,013,762	8,607	11,077	30,112	1.29	3.50
2004-05	1,723,087	248,830	90,032	15,140,765,469	2,681,945,891	226,127,279	2,908,073,170	8,787	11,687	32,300	1.33	3.68
2005-06	1,712,133	250,769	89,651	15,392,075,670	2,797,130,030	241,445,977	3,038,576,007	8,990	12,117	33,893	1.35	3.77
2006-07	1,693,436	249,006	86,421	15,540,662,172	2,876,356,949	247,183,573	3,123,540,522	9,177	12,544	36,143	1.37	3.94

Sources

¹Bulletin 1014, Michigan Public Schools Ranked by Select Financial Data, Michigan Department of Education, 1990-91 to 2006-07

²December 1, Pupil Count Data, 1990-2006

³DS4061, Fall Pupil Membership Count, 1990-91 to 2006-07

⁴SE-4096, Special Education Actual Cost Report, Page 2, District Expenditures, 1990-91 to 2006-07

⁵Bulletin 1014, rounded to the nearest whole dollar

⁶SE-4094, Transportation Expenditure Report, 1997-98 to 2006-07

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